



ABN 41 009 117 293

FIRST AUSTRALIAN RESOURCES LIMITED

Incorporated in Western Australia

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ASX ANNOUNCEMENT AND MEDIA RELEASE

DRILLING UPDATE

Wei 6-12E-1A Exploration Well, Beibu Gulf Block 22/12, Offshore China Surface casing run to 986m

The Operator, Roc Oil (China) Company, has advised that as at 0600 (local time) on 27 February 2008, the Wei-6-12E-1A well had been drilled to 986 mBRT and 13³/₈" casing has been run and cemented.

The current operation is preparing to test the Blow Out Preventer prior to drilling the next 12¹/₄" hole section.

Wei 6-12E-1A, the second of the planned three well exploration/appraisal programme in Block 22/12, Beibu Gulf, offshore China, is expected to reach the proposed Total Depth of approximately 2,520 mBRT by early March 2008.

Participating Interests in Block 22/12 Joint Venture are:

Roc Oil (China) Company	40%. (Operator)
Horizon Oil Limited	30%
Petsec Petroleum*	25%
Oil Australia Pty Ltd**	5%

*The above interests are subject to Government participation in developments of up to 51%
*a subsidiary of Petsec Energy Ltd **a subsidiary of First Australian Resources*

Schwing #2 Well, South Grosse Tete, Iberville Parish, South Louisiana Changing out drill bit at 13,912 feet – FAR (0-14,500 feet 5%)(>14,500 feet 17.7%)

Since the last report the well has been deepened to 13,912 feet. Current operations comprise changing drill bit prior to drilling ahead. The primary target TD is approximately 14,500 feet.

As reported earlier, 11 feet of gas pay has been identified in the Upper Marg Tex interval and a probable 5 feet of gas pay in the Lower Marg Tex interval of the Schwing #2 well. A number of shows remain to be evaluated by logging once the well has reached TD.

The project is being operated by Spartan Operating Company, Inc. FAR's interest is subject to a back-in of 25% after cost recovery is achieved on a full project basis. Other participants include ASX listed Amadeus Energy Limited (AMU).

For information on FAR's drilling activities visit our website at www.far.com.au